

BILL ANALYSIS AND FISCAL IMPACT REPORT
Rick Homans, Secretary, Taxation and Revenue Department

November 20, 2009

Bill: 179628.1SA

Sponsor:

Related Bills:

Short Title: Increase Administrative Fees Charged by TRD

Description: This proposal would ensure that the increase in the administrative fee from 3% to 3.25% that was made in the 2009 General Appropriations Act becomes permanent. Revenue from this increase in the administrative fee will be retained by the Taxation and Revenue Department to fund a portion of the Fair Share Initiative. The Initiative will generate revenue for local governments, as well as the General Fund and other State funds through increased taxpayer compliance.

Effective Date: July 1, 2010

Estimated Revenue Impact*						R or NR**	Fund(s) Affected
FY2010	FY2011	FY2012	FY2013	FY2014	FY 10-14		
0	1,540	1,614	1,698	1,783	6,636	R	General Fund
0	(781)	(819)	(861)	(904)	(3,365)	R	Counties
0	(747)	(783)	(824)	(865)	(3,220)	R	Municipalities
0	(12)	(12)	(13)	(14)	(51)	R	Pueblos & Nations

* In thousands of dollars. Parentheses () indicate a revenue loss. ** Recurring (R) or Non-Recurring (NR).

This estimate illustrates the initial distributional changes due to the 0.25% increase but not the subsequent increase in overall revenue through increased compliance.

Administrative Impact: Minimal.

Appropriation (\$thousands)*			R or NR**	Fund(s) or Agency(ies) Affected
FY2010	FY2011	FY 10-11		
0	1,540	1,540	R	Taxation and Revenue Department

* Parentheses () indicate an appropriation out of the fund. ** Recurring (R) or Non-Recurring (NR).

This bill appropriates the portion of the administrative fee due to the 0.25% increase to the Taxation and Revenue Department for “audit and collection activities.”